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Burma

Grain and Feed

Burma Monthly Rice Trade

2001

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Report Highlights:

Burma's monthly rice trade and price update for November, 2000.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1], BM

Harvest of the main monsoon paddy crop has commenced. The new crop has started to enter the market with a high moisture content. Trade Sources said that large carry over stocks and high moisture content were both factors contributing to depressed prices for the new crop. Market prices are well below the government procured prices this year. Trade Sources said that MAPT (Myanmar Agricultural Produce Trading) an agency of the Ministry of Trade that procures obligated paddy from the farmers for export is considering lowering its procurement prices. Trade sources say that in the middle week of November, MAPT lowered its procurement prices from Kyat 32,000 per 100 basket (Kyat 15 per kilo) to Kyat 30,000 per 100 basket (Kyat 14 per kilo). However, even with a lowered price MAPT is cautiously procuring paddy while watching the price trends in the market. Normally when MAPT starts procurement, paddy prices start to rise as some farmers procure paddy in the market to meet the obligations.

During the month of November 2000, the government of Burma exported a total of 1,029.47 metric tons of rice, 5,199.133 metric tons of Broken rice and 13,916 metric tons of paddy as inland exports.

Myanmar Agricultural Produce Trading (MAPT), an agency of the Ministry of Commerce contracted a total of 9,519.50 metric tons of Broken rice and 25 metric tons of rice and 13,916 metric tons of paddy as Border sales in November.

According to the Ministry of Agriculture and Irrigation 46 percent of the main monsoon crop has been harvested and 11 percent of the dry season crop has been seeded against the target of 3 million acres.

Exports.

In the month of November the government of Burma exported a total of 1,029.47 metric tons of rice and 5,199.133 metric tons of broken rice.

- A. 22 metric tons of Ngasein 25 percent, 2000 crop, bought by Boon Trading, destined for Singapore.
- B. 107.470 metric tons of Zeeyar 35 percent, brought by Boon Trading, destined for Singapore.
- C. 100 metric tons of Zeeyar 35 percent, bought by Chye Choon, destined for Singapore.
- D. 260 metric tons of Ehmata super, 2000 crop, bought by Bernas, Malaysia, destined for Penang.
- E. 200 metric tons of Ehmata Super 2000 crop, bought by Bernas, Malaysia, destined for Paser Qudang.
- F. 340 metric tons of Ehmata Super, 2000 crop, bought by Bernas, Malaysia, destined for Port Klang.

Broken rice exports.

- A. 43 metric tons of A 1 & Extra, bought by Boon Trading destined for Singapore.
- B. 997.440 metric tons of B 1 & 2, bought by Agrocorp, destined for Chittagong, Bangladesh.
- C. 1,951 metric tons of A 1 and Extra, bought by M/S Sam An Enterprise, Hongkong, destined for Jakarta, Indonesia.
- D. 1,992.325 metric tons of A 1 & 2, bought by M/S Sam An Enterprise, destined for Indonesia.
- E. 22 metric tons of Zeera Broken A 1 & Extra, bought by Boon Trading, destined for Singapore.
- F. 22 metric tons of A 1& 2, bought by Boon Trading, destined for Singapore.
- G.. 22 metric tons of A 1& Extra, bought by Boon Trading, destined for Singapore.
- H. 107.343 metric tons of B 2, 3 & 4, bought by Boon Trading, destined for Singapore.
- I. 42 metric tons of A 1 & Extra, bought by Sam An Enterprise, destined for Indonesia.

Exports

Monthly Rice Exports

Rice exports and indicative prices
(Metric tons)

	1999	2000
Jan.	2300(b)	441
Feb.	500	10,109(b)
Mar.	12,600	8,880
Apr.	4,700	6,200
May	680(b)	5,512
Jun.	10,450	600
Jul.	9,320	18,513(c)
		2,436 paddy (c)
Aug.	5,745(b)	37,880(b)
Sep.	7,320(b)	19,730(b)
		930(c)
Oct.	220	33,014(b)
		855 paddy (c)
Nov.	240(b)	6,254(b)
		13,916 paddy (c)
Dec.	2,630(b)	
Total	56,705(b)	148,063(b)
		17,207 paddy
Average	4,725	13,460

Foot note (b) broken rice included
(c) Border Trade

Sales.

During the month of November, MAPT contracted a total of 9,519.50 metric tons of broken rice

for sale.

A. 100 metric tons of B 2, 3 & 4 at US\$ 60 per metric ton, to M.S. Jaffa Comfeed Intl. Shipment: October.

B. 2,000 metric tons of A 1& 2 at US\$ 101.50 per metric ton, to Agrocorp Intl. Pte. Shipment November/December.

C. 2,000 metric tons of B 1&2 at US\$ 70.00 per metric ton, to Agrocorp.

D. 4,000 metric tons of B 2,3 &4 at US\$ 61.00 per metric ton, to Agrocorp.

E. 892.50 metric tons of B 2, 3 &4 at US\$ 63.00 per metric ton, to Boon Trading. Shipment: November/December.

F. 21 metric tons of B 2, 3& 4 at US\$ 60 per metric ton, to Keongco, Malaysia. Shipment: Prompt.

G. 506 metric tons of A 1& Extra at US\$ 112 per metric ton, to Boon Trading. Shipment Dec./Jan.2001

Border Trade

In November, 25 metric tons of rice and 13,916 metric tons of paddy were contracted as border sales to individual buyers in Maung Taw and Sittwe, border towns near Bangladesh

Border Sales.

A. 25 metric tons of rice at US\$ 155.5 per metric ton was sold as border sales in Maung Taw townships.

Paddy Border sales in Sittwe Township.

A. 45,000 baskets of paddy at US\$ 1.80 per basket.

B. 8,000 baskets of paddy at US\$ 1.80 per basket

C. 8,500 baskets of paddy at US\$ 1.80 per basket.

Maung Taw paddy Sales.

D. 5,025 baskets of paddy at US\$ 1.95 per basket

E. 100,000 baskets of paddy at US\$ 1.875 per basket

F. 500,000 baskets of paddy at US\$ 1.875 per basket

G. 5,026 baskets of paddy at US\$ 1.95 per basket.

H. 6,103 baskets of paddy at US\$ 1.95 per basket

Burma's monthly sales
(Metric tons)

	Current month	Previous month
	November	October
Monthly sales	9,519.50	110
	25.00 (c)	1,200 (b)
	13,916 paddy (c)	855 paddy (c)

(b) Broken rice

(c) Border sales

National average domestic wholesale rice price
(Kyat/kilo)

	Ehmata	Superior	Inferior
Current month	31	51	26
Previous month	37	62	32
One year ago	76	108	72

National average domestic whole sale paddy price
(Kyat/ton)

	Ehmata	Superior

Current month	18,261	26,052
Previous month	20,369	30,000
One year ago	38,341	41,217

Compared to prices of the previous month, there was an overall national average price decrease in rice and paddy prices. Due to favorable weather, yields compared to a previous year were good. Nevertheless, the new crop has a high moisture content and with a weak domestic market rice traders were reluctant to buy the crop and store it for future sales. With a weak demand for the new crop, some of the farmers are compelled to come directly to the markets to sell their crops.

Ehmata rice prices decreased by 16 percent, inferior quality 18 percent and Superior quality decreased by 19 percent respectively. Ehmata paddy prices decreased by 36 percent and Superior quality decreased by 13 percent. Due to high cost of fertilizer, cost per acre has increased year by year and with the unusual depressed paddy prices most of the farmers were not able to recover their cost. Sources speculate that dry season paddy farmers might switch to more profitable crops such as pulses. Rice Traders speculate that by mid December, paddy/rice prices may strengthen as the moisture content in paddy decreases and the crop quality improves.

On the other hand with a lot of old stocks in hand to release in the market in order to store the new crop, speculation for rice prices to strengthen seems optimistic. Burmese people prefer to eat the old crop and consume the new crop about in April, since they believed that the new crop is not digestive now.

Paddy Procurement

MAPT, an agency of the Ministry of Commerce that procures the paddy from the farmers has started procurement of its obligated paddy at the last week of October. According to MAPT's data from October to 12-5-2000, it was able to procure 52,976 metric tons of paddy. Compared to a previous year it was able to procure 50,985 metric tons of paddy in November. It could be summarized that MAPT's is quite cautious in the procurement of the obligated paddy due to depressed market price which is lower than MAPT's procurement prices. Trade Sources said that MAPT is considering lowering its procurement prices and is watching the paddy price trends closely in the domestic market.

Export prospects.

Compared to a previous year, in spite of a weak demand in the world rice trade, Burma fared better than last year. The savior was Bangladesh as most of the rice exports and over land shipments were destined to Bangladesh. Border trade for paddy and rice was very active this year compared to previous years.